



## **Financial Policy – Capital Reserve Funding Policy**

The City shall strive to contribute funds annually to capital improvement reserve accounts through:

- Annual budget appropriations
- Allocation of year-end surplus
- Dedicated revenue sources
- Grants and external funding

## **Capital Savings Accounts:**

### **4010 – City Hall CIP**

#### **Goal**

Maintain a reserve to fund long-term structural repairs, building system replacement, accessibility improvements, and modernization of City Hall. The target reserve should be **\$500,000** to support major building system replacements.

#### **Minimum**

The balance should not fall below **\$50,000**.

#### **Policy**

Funds may be used for major building repairs and improvements including HVAC systems, roof replacement, accessibility upgrades, structural repairs, and major renovations/improvements. Routine maintenance should be funded through the annual facilities budget.

### **4011 – Pool CIP**

#### **Goal**

Maintain a capital reserve to fund major structural repairs, mechanical system replacement, and long-term pool reconstruction. The target reserve should be **\$1,000,000** recognizing the high cost of aquatic facility replacement.

#### **Minimum**

The balance should not fall below **\$50,000**.

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### **Policy**

Funds may be used for major repairs, mechanical system replacement, filtration systems, pool structure repairs, and long-term reconstruction of the aquatic facility.

### **4015 – Parks CIP (COMBINED WITH 2060, 2061, 4016)**

#### **Goal**

Maintain a reserve to support major park improvements including playground replacement, restroom construction, irrigation systems, shelters, and other park infrastructure. The target reserve should be **\$300,000–\$500,000**.

#### **Minimum**

The fund balance should not fall below **\$75,000**.

### **Policy**

Funds may be used for major capital improvements to City parks including playground equipment replacement, park facility construction, irrigation systems, shelters, and accessibility improvements.

### **4020 – Police CIP**

#### **Goal**

Maintain a reserve for replacement of major police equipment including patrol vehicles, communications systems, and major law enforcement equipment. The target reserve should be **\$375,000–\$425,000**.

#### **Minimum**

The balance should not fall below **\$90,000**.

### **Policy**

Funds may be used for capital equipment purchases such as patrol vehicles, major technology upgrades, evidence systems, and communications infrastructure.

### **Projects**

- Evidence Room Storage and Shelves: \$15,000
- Shooting Range at Lagoon: \$150,000
- Training Simulator: \$175,000
- Office Remodel: \$25,000

#### **4025 – Police Investigative Services CIP**

##### **Goal**

Maintain a reserve to support specialized investigative expenses. The target reserve should be **\$50,000–\$75,000**.

##### **Minimum**

The balance should not fall below **\$30,000**.

##### **Policy**

Funds may be used for specialized investigative expenses above the routine Sidney Police Department expenses, to include unknown expenses from investigations on behalf of other departments.

#### **4030 – Street Maintenance / Equipment CIP (COMBINED WITH 4031)**

##### **Goal**

Maintain a reserve to support replacement of major street maintenance equipment and support long-term street infrastructure improvements. The target reserve should be **\$250,000–\$500,000**.

##### **Minimum**

The balance should not fall below **\$150,000**.

##### **Policy**

Funds may be used for replacement of major street maintenance equipment, street reconstruction, pavement preservation projects, and matching funds for transportation grants.

#### **4040 – Fire Equipment CIP**

##### **Goal**

Maintain a reserve for replacement of major fire apparatus and emergency equipment. The target reserve should be **\$1,000,000–\$1,500,000**, recognizing the high cost of fire engines and ladder trucks.

##### **Minimum**

The balance should not fall below **\$250,000**.

##### **Policy**

Funds may be used for fire engine replacement, ladder truck replacement, emergency response equipment, and major fire facility improvements.

#### **4070 – Downtown Enhancement Capital Projects**

The City of Sidney is an equal opportunity employer and provider.

**Goal**

Maintain a reserve to support improvements within the downtown district including streetscape improvements, beautification, lighting, pedestrian infrastructure, and public gathering spaces as well as infrastructure improvements and ADA compliance. The target reserve should be **\$250,000–\$300,000**.

**Minimum**

The balance should not fall below **\$50,000**.

**Policy**

Funds may be used for capital improvements that enhance downtown infrastructure, public spaces, and economic vitality.

**Policy Review**

Capital reserve balances will be reviewed annually during the budget process and adjusted to ensure sufficient funding for anticipated infrastructure needs over the next 5–10 years.